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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
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Reserve

SESSION: FOOD REQUIREMENTS

A THE GENERAL FOOD SITUATION

DISCUSSIONS following the address on this subject by J. P. Cavin, Bureau of Agricultural Economics, U. S. Department of Agriculture, at the 22nd Annual Agricultural Outlook Conference, Washington, D. C., November 14, 1944.

DISCUSSIONS by Andrew Cairns, UNRRA
M. K. Bennett, FEA
Hazel K. Stibeling, USDA
Sylvester Smith, WFA
William T. Hicks, WFA

DISCUSSION by Andrew Cairns, Chief, Food Division, United Nations Relief and Rehabilitation Administration.

The remarks here made are the personal ones of a student and in no sense reflect the views of the official bodies I am associated with: they aim to be provocative. My two main impressions of Mr. Cavin's paper, which I thought an extremely well balanced if rather cautious statement, are these: (1) that he is too conservative about the extent of the food shortage on the horizon and (2) too conservative about the extent of the food "surpluses" after the immediate post-war period.

Now to give a little different emphasis to, rather than to disagree with, one statement, I make two assumptions: (1) that the war in Europe will be over sometime before the 1945 harvest; and (2) that the war in the Far East will be over sometime before the 1946 harvest. I think there will be a shortage of practically all foods until the time of the 1946 harvest. The exceptions are obvious--wheat and possibly feed grains. If dealing with agricultural products as a whole, I would add to the exceptions wool and cotton. I might also add some miscellaneous food products; dried eggs, for instance, which are a problem of their own. In my view, shortages are going to be acute, in all meats, in all dairy products, in most fats, and in sugar.

How to deal with these shortages? I can merely touch on a few points. One would be to increase the reserve stocks. It strikes me as very surprising to hear talk about two million tons of reserve stocks when the United Kingdom alone before the war, normally imported about twenty-five million tons of foods and feeds. I can't, therefore, get the least bit excited about reserve stocks of only 2,000,000 tons.

During this period of shortage it will be absolutely essential to continue the present allocation of food through the Combined Food Board, on which representatives of the Canadian, United Kingdom, and United States Governments sit, and

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to which representatives of many other Governments are brought in on the level of the commodity committees.

Mr. Cavin made one rather bold prediction; it is on his chart. He predicted that the level of food consumption in this country will be lower in the year 1945 than in any year since the war commenced. He didn't say how this reduction was going to be achieved; he will, in my opinion, be right only if rationing is continued and tightened in many cases. (I should observe parenthetically that my remarks are in no sense addressed to the United States only; I make them merely as a student of agriculture; they apply equally to Canada, to Australia, to New Zealand, to South America, and to other food exporting countries.)

A real effort should, in my opinion, be made to do away with the rationing of bread immediately, or as rapidly as possible, in every country in the world. The wheat exists; the people are tired of inferior breads, just as they were during the last war. There is nothing they would like better than to get back to the good old white bread as soon as possible.

To come to the period following the 1946 harvest: Here I can talk about "surpluses". The indicated causes are obvious: (1) the momentum of the present incentives to production; (2) the tapering off of Lend-Lease; (3) revival of European agriculture; and (4) the decline in civilian demand, because, however much we may talk about full employment (and I am all for it), it is obvious that the only thing that so far has produced full employment is production for war. Even if in America, Henry Wallace, and other crusaders for full employment, get a free hand, it is going to take a little time to bring that about.

Lack of preparation in most countries, on a national level, for really carrying out the objectives of the Hot Springs Conference will contribute to this difficult readjustment or surplus problem. I am not optimistic about free world trade after the war.

Very dogmatically I shall now reel off a few of the things that might be considered in dealing with this post-war surplus problem. I agree entirely with Cavin that, by all means, the most important thing is to go full steam ahead on concrete plans to provide employment as nearly as possible the equivalent of the present rate.

Next, there should be a constructive plan for providing an optimum diet at least in all producing countries--Canada and others. There should be full steam ahead in preparations, on a regional basis, for a reduction in the production of some commodities and an increase in others.

A comprehensive crop insurance scheme coupled with a minimum income plan for farmers is one of my recommendations. Instead of production goals, why not have contracts for stated amounts of specified commodities at specified prices, for possibly a 5-year period, with provision for adjustments before next year's planting.

Next would come all-out international cooperation in food and agriculture to increase the level of international trade in agricultural products, including

the provision of low prices for food to those countries which have a deplorably low level of food consumption.

Finally, I recommend international agreements for each agriculture product which plays an important role in international trade. I would develop strict international control of export subsidies, applied both to the quantity exported and to the amount of the subsidy given.

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DISCUSSION by M. K. Bennett, Chief, Food Allocations Division,
Office of Food Programs, Foreign Economic Administration,
Washington, D. C.

This has been a penetrating and thoughtful discussion. I am particularly glad to hear Mr. Cavin say that he believes the importance of the problem of stocks can be overemphasized, that this problem is secondary, and that the primary problems in the longer run are maintenance of a high level of economic activity and effective arrangements for meeting the food needs of liberated areas.

Most of what I have to say in comment upon Mr. Cavin's paper tends to throw a somewhat thicker blanket of obscurity over a future which Mr. Cavin himself does not profess to see with complete clarity.

(1) For example, he assumes that national income in 1945 will be perhaps about \$20 billion less than in 1944, but that consumer expenditures for food will not drop proportionally. I don't know, but I wonder. What will people do with family budgets when they are able to spend more freely for other things than food, as they may perhaps be able to do in the latter part of 1945 -- for furniture, housing, automobiles, gasoline, heavy kitchen equipment, and so on? Will they begin to shift emphasis away from food to other things? I don't know, but the question needs to be asked.

(2) Mr. Cavin feels that per capita meat consumption (civilian) may average 5 to 10 pounds lower than in 1944. So it may. But it may conceivably fall a good deal lower than that. Where it falls depends heavily upon what is done in the allocation process and towards meeting international obligations by restrictive consumer rationing or larger set-asides. Foreign countries want more of our meat than they are getting. If they are permitted to have it, or a substantial fraction of what they want and need, I think that our own per capita consumption must fall by more than 5 to 10 pounds. If they are not permitted to have it, I anticipate some embarrassing moments in international relations.

About the same thing can be said of fats and oils, especially the hard oils, and of sugar (which Mr. Cavin does not mention).

(3) Mr. Cavin includes rice in his discussion of grain in general, and seems to suggest a degree of ease in the relationship between supply and demand that I do not feel. I expect unforeseen demands to emerge as we move in 1945, with the general situation becoming increasingly tight. Here again, what happens to commodity consumption and to prices is bound to depend heavily upon what happens in the allocation process.

(4) And what happens there, with respect to several groups of commodities, depends heavily upon legislative and administrative action in the United States. The extent of demand for food for export is going to depend in large degree upon the funds that the Congress will appropriate for Lend-Lease, for UNRRA, or for surplus disposal. This vast question remains to be threshed out; the answer isn't known now. Given the financing, the volume of exportation will tend to maintain prices, but with meager financing the picture would look different. At the same time, allocations to foreign countries depend for their volume partly upon the

finance made available to lift the stuff, and upon the liftings will partly depend the levels of per capita consumption among civilians. It remains to be seen how far allocation policy by itself will squeeze domestic consumers for the benefit of foreigners. Of course I do not know how the interrelated matters of export financing, allocation, and domestic rationing will work out in coming months. I mention them to illustrate the obscure aspects of the future.

(5) Finally, Mr. Cavin advances the view that, with full employment, per capita consumption of food would be not less than 15 percent above the prewar level. If he means by this the physical ingestion of food measured in calories, I confess that I doubt it. It seems to me that large populations, once they have attained a high average plane of living as our population has, move from depression to boom without a clearly measurable change in per capita caloric ingestion. But if supplies for consumption include all kinds of waste, he may be right, though even so an advance to 15 percent above prewar looks to me a high expectation, because waste was pretty large in prewar years. Again, if he refers to poundage of food per capita rather than calories, there may be no reason to challenge his conclusion, because that increase could be had by a development which substituted, for example, more vegetables and fruit and milk of low caloric content per pound for cereals or fats or sugar of high caloric content per pound -- the total weight of foods per capita might increase while the calorie supply per capita did not.

The whole subject of food-consumption behavior of large masses of people under varying conditions of employment and income seems to me one that is far from fully explored as yet. Mr. Cavin has contributed some useful thoughts in the subject; I hope he and others will press the inquiry further.

DISCUSSION by Hazel K. Stiebeling, Chief, Bureau of Human Nutrition and Home Economics, U. S. Department of Agriculture, Washington, D. C.

Mr. Cavin's talk brings up the question of how much food is enough -- are we concerned with enough to meet market demand? Or enough to meet human needs? These are questions intimately tied up with standards of living. How much food and what kind do we need and want in 1945 and in the post-war era?

Everyone would agree, I am sure, that we must have enough food to prevent starvation, and food enough and of the right kind to avert obvious dietary-deficiency diseases. Even to do this, we need, even in the U.S.A., more food and/or a different distribution of food. Although there has been a marked decrease in the incidence of deficiency diseases in this country during the last 5 years, we still have them with us. For example, in 1943, a year of prosperity and generous national food supplies, over 5,000 cases of pellagra and about 1,300 deaths from this disease were reported to the U. S. Public Health Service. Figures on the morbidity and the mortality from dietary diseases fortunately are low. But they cannot be taken as a measure of the extent to which nutritional deficiencies contribute to ill health or deaths ascribed to other causes, such as tuberculosis. Nor do they begin to indicate the prevalence of "bio-chemical lesions," which may not be observed by the ordinary physician, but which may nevertheless contribute to a below-par condition, and greatly reduce what Dr. McDougall so aptly calls the "quantity and quality of life." (For example, Dr. Parks of Johns Hopkins reported in 1943 that of 230 children who had died from various causes, his histological examinations showed 107 with some degree of rickets, even though none showed rickets by X-ray examination.)

Undoubtedly many people who think they are normal, and who by ordinary measures appear to be normal, really are handicapped in meeting the stresses and strain of life because their food has not been of the right amount or proportions to provide optimal internal environment for living. Food makes a difference in the chemistry of the blood, lymph, and the interior of body cells -- that is where living really goes on.

Our ideas of what is normal can and will change as we put into practice more and more fully our growing knowledge of nutrition. Ideas of "normality" have changed over the years. Once it was so "normal" for babies to have rickets and women to have goiter that early Italian art generally presents them thus. Coming down to modern times, it was considered "normal," not so very long ago, for a baby to double its weight in six months and treble it by the end of the year. Now, I am told, many well developed infants double their weight in about three months and treble it in about 6 months. All recent studies seem to show it to be usual in low-income groups for infant mortality to be higher, for children to be smaller in size for their age and slower at their school work, than among the more favored economic groups, -- whose diets, as well as other environmental factors, tend to be better. And many people accept it as normal for people to be old men and women at 45!

The time can and will come when our ideas of what is normal will be greatly changed; some day, I hope, enough people will have applied the science of nutrition to everyday living that its validity can be demonstrated in health statistics as well as subjectively in human experience. And when the general public comes to understand the potentialities of human life, we will not be content until the food is of such a character as to enable every man, woman, and child to attain the highest level of well-being within the limits set by physical heredity. This kind of diet would add "years to our life and life to our years," as Dr. Sherman has put it.

Translating Mr. Cavin's estimates of food supplies that will be available to civilians in 1945 into nutritional language, we must conclude that so far as per capita averages are concerned, we shall be about as well off in 1945 as in 1944 and much better off than during the last half of the 1930's. Whether food will be better or less well distributed, however, depends on income, distribution, price relations, rationing, special measures such as enrichment, school lunches, etc. It isn't enough to have produced enough food. Food must be gotten where it is needed — "logistics," I believe, is the military word for it. During the war we have done an unusual job in mobilizing public opinion, and in using science, technology, and economic and social inventions to help make sure that our armed forces and the civilian population are well fed. We can do no less in the peace ahead.

For many years nutritionists have been emphasizing the importance of increases in the consumption of dairy products, leafy, green, and yellow vegetables, and the vitamin C-rich fruits because of their special contributions of nutrients in which our national dietary was short in relation to need. And so it is very gratifying that percentagewise the increases in the consumption of these types of foods have been larger than most of the other dozen or so food groups, in 1944, as compared with the pre-war years 1935-39.

I have been especially interested in the increase in production and consumption of milk. For a long time, most of my friends in Agriculture had been very pessimistic over the possibility of increasing greatly the consumption of "so mild and melancholy" a fluid as milk. Dietary studies supported their view insofar as they indicated that income level affected milk consumption much less markedly than many other foods. And so it is heartening to hear Mr. Cavin say that the 1945 civilian demand at ceiling prices would take more than even the record supply expected to be available to civilians. Of course, educational as well as economic forces have contributed to this increased consumption; and economic as well as educational influences have helped in such matters as increasing milk production per cow and turning a quarter-million farmers to marketing whole milk rather than selling cream and feeding the skim milk. The milk situation is an outstanding example of the way in which production and consumption can be shifted, and shifted quickly, when it is clear to the public and to administrators that a shift is important.

Because of the richness of milk in vitamins, minerals, and high-quality proteins, nutritionists will continue to advocate at least as large an increase in consumption in the next 5 years as has taken place in the last 5 to 10; and the same general statement goes for leafy, green, and yellow vegetables and for the vitamin C-rich fruits. I have no doubt that further significant increases in these products would contribute importantly to the Nation's health; they supply an exciting proportion of many highly reactive nutrients that can make important differences in the chemistry of body cells and hence in the real environment in which life goes on.

Consequently, I have but one idea to inject into this discussion. It is neither new nor original, but it is important. In the post-war period, as during this war, we must continue to make the best use of the Nation's resources in land and energy for the production and distribution of food in order to make available to everyone what is required for optimal nutrition. Unrealistic? Of course -- if we view the situation as static. But we must be dynamic.

- (1) Nutritionists must be way ahead of the column of public opinion in proclaiming the needs of human beings as indicated by scientific advances.

- (2) Extension workers -- in making people want to have better food and to intelligently use the food they bring into the house.
- (3) Agriculture -- in having food on hand -- enough and of the right kinds.
- (4) Economists -- in inventing arrangements to help us solve the "logistics" of the matter.

We must not merely keep up with the trend of market demand, we must make the trend.

We can, we must, be smart enough to do this nationally and internationally, if we are to make this world the kind of place we want to live in.

DISCUSSION by Sylvester Smith, Deputy Director for Civilian Programs,
Office of Distribution, War Food Administration.

I am going to discard some of the usual caution in framing these comments on civilian requirements and civilian consumption. Mr. Cavin, in his skillfully drawn paper, doesn't leave many handles to grab. He has quite clearly pictured how civilians in this country have fared food-wise thus far during the war, and what their prospects are for next year and the year following.

My nervous system feels the strain of the past two years of anticipating shortages for civilian consumers. Day by day some of us have to stand by for that time when additional measures will have to be applied to keep the civilian from getting what he is willing and ready to take. The American consumer has exhibited a great deal of ingenuity in getting the food he wants. The war period thus far is characterized, so far as the consumer is concerned, by inconveniences, although it has been set forth that during the current year consumers are getting somewhat above the pre-war average of per capita supplies. By inconveniences, I mean he has had to put up with rationing and its effects -- direct and indirect -- he hasn't been able to get just exactly what he wants in terms of quality.

I would like to emphasize one outstanding wartime food problem which many of us tend to overlook -- I refer to it as a "quality problem." Owing to the high level of incomes, consumers are giving great force to the expression of preferences, so we experienced an acute shortage of our top grades of beef, whereas the grades of lower quality are likely to go begging. Eggs sell at retail at and above ceilings, as far as top quality is concerned, and eggs at the farm level are in surplus and prices are lower than they should be. On the other hand, as last year, every apple, whether cull or top grade, sells at ceiling prices.

Varying conclusions are drawn from such occurrences. I am apprehensive about the conclusion the farmer may draw. I hope he doesn't draw the conclusion that consumers will take anything from producers; if he gets in that frame of mind he complicates future problems. The consumer has not got all he wanted by any means or all he needed perhaps, in some cases, but it is fair to say that his minimum essential needs have been met and he could have tightened his belt much more -- and he may have to tighten it considerably more than he has.

As far as I can see the 1945 picture, it will be substantially a continuation of what we have had. We are all concerned with the answer to the question, "After 1945 will consumers in this country take all that will be available at Government-supported prices?"

Reviewing the food situation as it has developed during the war and as it exists now, and considering what it might be, we can't place enough emphasis on the need for clearly understanding how we got where we are in the course of food developments during the war period. In my comments, in Mr. Cavin's, and in those of other speakers before me, we have talked in generalities -- have talked in terms of averages and aggregates. They are useful, descriptive, and analytical tools but they hide a lot and cover up a lot.

Our study of the food problem that lies ahead should be composed of carefully analyzed individual situations. And if this analyzing is well done, ways of meeting the problems which flow from the heavy production that will undoubtedly be forthcoming will be made more effective. If a real understanding is accomplished, models can be erected overnight, figuratively speaking, that will help us to cope with the situation.

DISCUSSION by William T. Hicks, Chief, Military and Special Requirements Division, Requirements and Allocations Control, Office of Distribution, War Food Administration.

Mr. Cavin has given you an analysis of the prospective situation in 1945 for the major food groups, and he has pointed out several possible post-war problems. Others on the panel have reviewed relief needs in Europe, requirements for commercial and Lend-lease exports, and the domestic civilian outlook. I shall picture briefly the scope of military requirements for food and relationships to the general situation.

During the past year noncivilian claimants took about 25 percent of the total United States production of food. Of this 25 percent, the United States Military and War Services took slightly more than one-half, Lend-lease about one-third, and commercial exports and shipments to U. S. Territories and foreign countries took the remainder.

There are five military claimants which have top priority with respect to U. S. food supplies: (1) Army, (2) Navy, including the Coast Guard, (3) Marine Corps, (4) Veterans Administration, and (5) War Shipping Administration.

Every 3 months each of these agencies sends its revised food program to the War Food Administration covering a period of from 1 to 2 years in advance. The calculation of military requirements, of course, presents considerable difficulty. The Army, for example, must not only provide approximately 1 ton of food per man per year, but it also must allow for shipping losses, maintain a pipeline of supplies to all battlefronts, and anticipate troop movements. Food must be available in many places before, rather than after, the troops arrive. Similarly, the War Shipping Administration must have supplies available at various ports before ships dock, and allowances must be made for ships of Allied Nations as well as ships of the United States. As the programs are not static but are in a process of continuous revision, changes in military strategy are reflected in requirements as rapidly as possible.

In addition to the regular supply programs for the five military claimants, provisions must be made for supplemental programs. The Army Post Exchanges, operating both within the United States and abroad, require significant quantities of specialized items such as candy, fruit and vegetable juices, tobacco, beer, and ice cream. The Navy operates Ships' Service Departments and Commissaries and Ships' Stores, and the Marine Corps operates its own Post Exchanges. Allowances must be made for Navy Contract Schools. The Army has responsibility for procuring for several independent agencies such as the War Relocation Authority and the Panama Canal.

Allocations of all food products in short supply are made by the War Food Administrator on a quarterly basis for an advance period of 1 year; the first quarter firm and the other three tentative. This work is carried on through the Food Requirements and Allocations Committee and its commodity subcommittees on which each of the claimant agencies is represented. United States allocations, based on anticipated domestic supplies, are at all times correlated through the Combined Food Board with world supplies available to the United Nations.

The food situation next year, it has been pointed out, depends to a considerable extent upon the course of the war between now and next summer. The

assumption in Mr. Cavin's outlook is that the European phase will be over before the middle of 1945, and conclusions drawn that military requirements therefore may be reduced. There are, however, several limitations which should be borne in mind in analyzing the influence of V-E Day on military food requirements for next year. Such factors include military civilian feeding, the rate of Army demobilization, requirements in connection with the Japanese war, and relief needs in Asia.

1. Military Civilian Feeding in Europe

A requirement on U. S. supplies which has increased greatly during the past six months is for civilian feeding during the period of military control. A Combined Civil Affairs Committee, composed of representatives of the United States, United Kingdom, and Canadian armies, operates in Washington and presents needs for civilian feeding to the Combined Food Board. These requirements are originated by SHAEF, and apply only to the period of military control. The size of the requirements for 1945 are not as yet fully known, but it is felt that needs for civilian feeding by the military in Europe will be significant.

2. Rate of Demobilization

Demobilization of Army strength of necessity must be a gradual process--shipping facilities in particular are limited. If for theoretical purposes it is assumed that the rate may be 200 to 250 thousand men per month, it can be calculated readily that Army food consumption for the first year after demobilization begins still will be large. Moreover, it is not known what the size of the Army will be even after the defeat of Japan, although indications are that it will be larger than in the prewar period.

3. Pacific Military Requirements

No reduction in the Navy, Marine Corps, or War Shipping Administration requirements is likely until after the Pacific war has been won regardless of the date the European war is over. According to available information, it seems unlikely that any food will be transferred from the European Theater to the Pacific.

4. Relief Requirements in the Pacific

In addition to the various requirements on United States supplies so far mentioned, it seems that the United States, especially through the Army and Navy, will be called upon to supply food for civilian feeding in the Pacific area. When the Philippines are freed, the 16 million people in this U. S. Territory probably will expect assistance in rehabilitation on somewhat the same basis as Europeans. Similarly the problem will exist of aid to the liberated and conquered Asiatic areas. Decisions on relief in this theater, however, have not been made, but substantial requirements for grain are already on the horizon.

A general analysis of food requirements by the various military agencies indicates that such needs will continue strong throughout next year, and for some months, if not years, even after the Japanese war. Requirements for items produced specifically for the military, such as combat rations and dehydrated commodities, undoubtedly will fall off rapidly, but this is not true of the principal

food items. The basic problem on total demand for food products, therefore, has been pointed out by Mr. Cavin as more dependent upon whether or not the United States maintains full employment and purchasing power and collaborates with other nations in developing profitable international trade than upon a sudden cessation of procurement by the military agencies.

